P 20E

P

App. F. IX-4

1926-7

File No. 82-26

Serial Nos. 1-4

Previous References

(~~B.S.~~)

G.S. 20-25 (1-4) B.S.

Later References

Muz 41-28-1-27 A

C.S. 109-31 (1-2)

C.S. 34-33 (1-2)

General and Revenue Secretariat.

C.S. 34-33 (3-13, 17)

Muz 72-38 (2-4)

C.B. 4-36 (43, 52, 90, 117, 277, 278, 291, 295, 301, 303, 312, 313, 315, 316, 317, 320.

Serial Nos.

Part B for June. 27

SUBJECT

Proposal to advance a lakh of rupees to the Apex Bank.

D 10897-918 dt 7.6.27

To

Registrar of Co-operative Societies

Comptroller to Govt. thro. of D.i.i. Rev. Commr

Muzrai Commr. Dy. Commrs of ~~Dt~~. Presidents of Dt Boards, - Presidents of Bangalore and Mysore City Municipalities

Passes orders granting certain concessions to the Apex Bank.

(1).

3761

WD 01229—GPB—37

App F. II

General and Revenue Secretariat

C·S· File No. 82

of 1926

Serial No. 1

From - The Regr of C-S.
No 2573 CS. d 18/12/26

Recommends for reasons stated 1) the grant of Rs 5,00,000 to the Apex Bank as a deposit, 2) the grant to the same of a cash credit of Rs 2,00,000 in the Mysore Bank at 6% interest & (3) the issue of orders to local Bodies & Trust & Muzrai instns to invest their funds in the Apex Bank.

2 The file containing the order directing the ~~[illegible]~~ transfer of societies' debts due to the Central Bank, to the new Apex Bank is subd in another connection.

3 The recommendations of the Regr are for orders.

KHO.
21/12/26.

4 Fl Secy may be consulted -
Secy D)

21/12

22.12.26

Fl 1882/26

Finl Secy
with Councillors

23/12

4 The files leading to formation of the Apex Bank may be put up

Secy.)

28 12 26

5 The file referred to above is ~~[illegible]~~

NOTE—Contn. Sheet

37 41

WD 01329—GPB—37,500—1-9-26

App F. III—2]

General and Revenue
Secretariat

C.S. File No. 82 of 1926

Serial No.

8.

~~[illegible]~~ put up (C.S. 20-25-(1-4))
The estt. of an apex Bank was ordered in G.O. No. F.C. 6492-6563/C.S. 34-23-11 d 30/3/25.

5/1/27.

F.A. Br)

W.P. 8/1

FINANCIAL SECRETARIAT
7 JAN. 1927
Fl 202-26,

NANCIAL SECRETARY
3 JAN. 27
No. 2617

Fin. Secy)

8/1

6) I am unable to offer any opinion before the question has been dealt with in the administrative branch and their opinion is recorded.

7 Our capital resources are strained what with the undertaking of Ry. construction and Irrigational expansion, and partly ~~with the~~ by the utilisation of the reserves for "development purposes". The funds available for loans and advances are therefore very limited and this aspect has been considered in dealing with the proposals supra fol.

8.1.27.

Urgent

W.P. 12/1

14/1

Secy D)

W.P. 12/1

10/1

9 The ~~proposal~~ recommendation to grant a loan of Rs 5 lakhs to the Apex Bank to enable it to take over the loans issued by the Central Bank has to lie over till funds are available. Govt may perhaps address.

NOTE—Contn. Sheet

3

WD 01229—GPB—37,500—1-9-26
App F. III—2]

General and Revenue
Secretariat

3741

C. S. File No. 82 of 1926

Serial No.

the Bank of Mysore to help the Apex Bank with a suitable cash credit

CRS
12.1.27.

7314/17

1st member).

WP
15/1

FINANCIAL SECRETARY
18 JAN 192
No. 2649

I further send my notes on the other proposals of Registrar

MC
13/1/27

FINANCIAL SECRETARIAT
15 JAN. 1927
Fl. 1882-26

Finl Secy
with comptts)

CRS
13.1.27

WP
15/1

10 Re-para 2:- Govt: cannot direct the Bank of Mysore to give a cash credit of 2 lakhs, as it is not a Govt: institution, but a private bank, notwithstanding the grant of some concessions re placing in it of Govt: balances &c.—

11 The Bank may however be consulted if it is willing to give the proposed accommodation & if so at what rate of interest & on what terms of security &c.—

Re para 3. Govt: cannot compel any Municipality or Dt Board to place its funds in the Apex Bank. There is no objection to the Local Bodies being permitted to deposit their funds in the said Bank.

FINANCIAL SECRETARIAT
21 JAN. 1927

12 Likewise Trust & Muzrai funds may, if the administrators choose, be deposited ~~[illegible]~~ at ~~[illegible]~~ interest ~~[illegible]~~ in the Apex Bank. K 20/1/27

(P.C not continuation sheet)

REV. SECRETARIAT
BRANCH
22/1

NOTE—~~Contn.~~ Sheet

4

WD 01225—GPB—37,500—1-9-26

App. F. III—2]

General and Revenue Secretariat

C. S. File No 82 3741 of 1926.

Serial No.

Please mark paragraphs

7798
24/1

13 Kind reference is invited to the member's ~~remarks~~ orders ~~at para~~ dated 13.1.27 and the remarks of the Financial secy. I do not think that the Regr quite meant the implication of his suggestion that the Bank shd be directed to ~~[illegible]~~ to give a cash credit of Rs 2 lakhs to the Mysore Provincial Bank. At the same time I venture to think that the ~~[illegible]~~ request for a cash credit need not be addressed in the proposed manner. It cannot be assumed that Govt are not interested whether the Mysore Bank do or do not grant the cash credit to the Provincial Bank. The example of the Imperial Bank in other parts may be cited & the Bank requested to ~~[illegible]~~ sympathetically consider the proposal of the Provincial Bank. Such a request from Govt will not in any way affect the independence of the Mysore Bank. I agree with the Financial secretary in regard to his proposal about the investment of funds belonging to Local Bodies

GRS
23.1-27

14 Draft on grounds (1st member)

24/1

25/1

15 draft
CRS
25.1.27

WP
25/1

16 A draft is put up for consideration

KHS
27/1/27.

17 Please type off
WP
30/1

NOTE—C

37 41
4958 WD 01229—GPB—37,500—[redacted]
App. F. III—2]

General and Revenue
Secretariat

C-S. File No. 82 of 1926

Serial No.

18 A typed draft is put up.

31/1/27. (Secy D) is DV for appl
WG 31/1

1/2

Pro issue 4 2 27

WG 4/2

2 To

The Manager, Mysore Bank.
No D 6358 of 8.2.27

In forwarding a copy of the Resolution of the 13th provincial Cooperative Conference re the arrange-ment for a Cash Credit up to two lakhs of Rupees through the Bank of Mysore to the Apex Bank, enquires if the Mysore Bank are agreeable to the suggestion and if so at what rate of interest and on what terms of security they are prepared to allow cash credit to ~~the~~ Apex Bank.

[The subject came up for discussion at the monthly meeting on the 1st inst. It was decided that the reply of the Manager Bank of Mysore, might be awaited.] WG 26/2

3 From The Manager, Mysore Bank
No — d 9/2/27

States that the Apex Bank has large deposits with the Mysore Bank & that as such it is not understood why it should borrow.

Submd for perusal & orders.

18/2 15/2/27. Secy D) WG 18/2

NOTE—Contn. Sheet

WQ 58

WD 01229—GPB—37,500—1-9-26
App. F. III—2]

General and Revenue
Secretariat

C8 File No 82 of 1926.

Serial No.

22 The accommodation sought for is probably to enable the Apex Bank to take over the Cooperative Societies' transactions from the Central Bank. May the Managing the Mysore Bank be informed confidentially that the Apex Bank are contemplating a fairly extensive investment of funds in the way of fulfilling their function of financing cooperative societies, and may require accommodation for the purpose?

3rd Member)

KR
21 2 27

WQ

OFFICE OF THE
THIRD MEMBER OF COUNCIL
21 FEB. 1927
No. 5-80

23. This may be talked over with the Regr when we meet next. It may also wait a little till the question of societies' debts to the Central Coopve Bank is settled, as to which separate action is being taken.

WQ 21/2

CSR
21/2/27

KR
22 2 27

WQ 22/2

Sus B till the next monthly meeting 15/3/27.

& REV. SECRETARIAT
..3.1927
...NT BRANCH

12/4/27
16/4/27
2-30 P.M.
20/4/27
1 P.M.

24. (23.4.27.)

Decision at the monthly meeting:—

"The Apex Bank requests for a cash credit of Rs 2,00,000/-, ~~and~~ as it would give ~~them~~ it the necessary financial backing from Govt. Govt may accomodate ~~them~~ the Bank with cash credit, to the extent of a lakh of Rs.. in view of the special circs."

Sec? D)

WQ
25/4

26/4

CE 9.54 7 WD 01229—GPB—37,500

App. F. III

General and Revenue Secretariat

C.S. File No. 82 of 1926

Serial No.

THE
THIRD F COUNCIL
28 APR. 1927
N. 2628

25) I think it was clearly understood that what was wanted by the Apex Bank, and agreed to by the Dewan & the Member, was financial backing, in the shape of an assurance that Govt wd be prepared to advance a lakh of rupees at any time such advance was required. (The question of moving the Mysore Bank for accommodation was dropped). The F.C. Secy was also agreeable to the proposal. May an order be issued pursuant to the decision?

NR
28.4.27

3rd Member
Dewan

26) Please put up a draft. Resend the F.C. Secy.

WP
28/4

CSR
28/4/27

NR
29 4 27

WP
29/4

27) A draft G.O. is put up for consideration. The question of the rate of interest to be charged is not settled. The Regr has proposed 3-4 % for deposits & 6 % for cash credit.

3/5/27.

28) Please type DA

WP 7/5

Note—Contn. Sheet

3741 ins38

(8)

App. F. III—2]

General and Revenue Secretariat.

C. S. File No. 82 of 1926

Serial No.

29 Typed draft is put up.
KHO. 9/5/27.

Dft for consid.
(SW'D)
WR 10/5

11/5 (The rate of interest is for orders)

WR 13/5/27

7231
12.5.27

3d Member
through Fin Secy

WR 13/5

R: 3834-26
13.5.27

new 25/5

I have suggested a slight amendment in the draft in accordance with the understanding arrived at. It is not necy to fix the rate of interest now. No money is ~~[illegible]~~ required to be advanced immediately. The market rate of interest at the time of grant of loan may be more or less than 6 p.c. It is desirable to keep the point open for the present.

h
24/5

GEN. & REV. SECRETARIAT
25 MAY 1927
DEVELOPMENT BRANCH.

26/5 I don't think amendment marked A necessary. It ~~takes away~~ either ~~means~~ makes no diffce at all, or it takes away the effect (& utility) of the assurance.

The amendment marked B is all right.

12327
30/5

(1st Member)

WR 27/5/27

OFFICE OF THE
SECOND MEMBER OF COUNCIL
31 MAY 1927
No. 7198

NOTE.—Contn. sheet

The form suggested by Fin Secy is probably the usual financial formula & may be adopted. Please submit to 2nd M. also. ~~[illegible]~~ [illegible]

[illegible] 31/5

WR 31/5/27

B is allright. The alteration at A may be omitted and the draft allowed to stand as it was before.
[illegible] 1.6.27
(2d Member)

GPB—5,000—30-3-27

W/58

9

App. F. III—2]

General and Revenue
Secretariat.

G.S. File No. 82 of 1926

Serial
No.

DEWAN'S OFFICE.
Received on
2 JUN. 1927
Reg. No. 4366

Re' Fl. backing to apex Bank

The draft approved by 2nd Member will be issued (if approved)

Dewan)

1 6 27

1/6

2, 6 27

Issue

4-6 27

Fl: Com 440

Draft & fair are subd. Finl Secy has been consulted.

FINANCIAL SECRETARY
8 JUNE
No. 2290

7.6.27

Submitted for perusal Fl. Secretary)

8/6

7.6.27

Communicated to Comptroller in Fl. Com 440 d 8.6.27

4

P.T.O.

NOTE—Contn. sheet

GPB—5,000—30-3-27

App. F. III -2 3741 10

General and Revenue
Secretariat. C.S. File No. 82 of 1926

Serial No.	
4	To

the Registrar of C.S.
" Comptr. to the Govt.
" Rev. Commr.
" Muzrai Commr.
" D.C.s of Districts
" Presidents of District Boards
" Presidents of Bangalore and Mysore City Municipalities,

No. D 10897-97 d/ 7.6.27

With reference to letters supra, state that Govt. are prepared to advance up to a lakh of Rupees to the Apex Bank, whenever such an advance is required and they have no objection to the Local Bodies, Trust and Muzrai Institutions depositing their funds at current rates of interest in the Apex Bank. etc

GEN. & REV. SECRETARIAT, 6 JULY 1927 DEVELOPMENT BRANCH,

NOTE—Contn. sheet.

2573 C/
Cue 2

①

37182 DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES
IN MYSORE.

Dated Bangalore, 18th December 1926.

~~Reference:~~—

GENL. & DEVT. SECRETARIAT 3741
18 DEC 1926
DEVELOPMENT BRANCH.

G. D. SECTT. 9
18 DEC 1926

From

K.H. Ramayya, Esq., B.A. Bar-at-Law.,
Registrar of Co-operative Societies in Mysore,
Bangalore.

L.S. 82-26-1

To

C. Ranganatha Rao Sahib, Esq., B.A. B.L.,
Secretary to Government, Development Departments,
Bangalore.

Sir,

In forwarding, herewith, a copy of the resolution passed at the 13th Mysore Provincial Co-operative Conference held in Mysore during October last in the matter of granting certain concessions to the Mysore Provincial Co-operative Bank, Ltd., (the Apex Bank), I have the honor to state that the Bank has been making rapid progress under the able guidance of its distinguished President, Rajakaryaprasakta Rao Bahadur Mr. M. Shama Rao, M.A., and has financed a number of primary co-operative Societies in the State. A copy of the report on the working of the Bank for 25-26 is, herewith, enclosed for the information of Government. Government have directed in their Order No.I.C.6492-6563/C.S.34-23-11 dated 30th March 1925 that the debts due by Co-operative Societies to the Bangalore Central Co-operative Bank, Ltd., should be transferred to the Apex Bank, and at the last Provincial Conference also it has been resolved that the debts should no longer be allowed to remain with the Central Bank. The amount of societies' debts due to the Central Bank comes to about four lakhs of rupees. For this purpose and for granting adequate and timely finance to the rural co-operative societies, I request that Government may be pleased to sanction the grant of a sum of Rs 5,00,000/- to the Apex Bank as a deposit for a period of ten years, interest being payable at 3 per cent for the first two years and at 4 per cent for the remaining period. 1)

2. In several of the British Indian Provinces, the Imperial Bank of India, at the instance of the Government, has granted large cash-

credits

to the several Apex Banks so that they may keep sufficient fluid resources for their efficient working. It is very necessary that similar concessions are granted to the Mysore Provincial Co-operative Bank also which works for the welfare of the agricultural and industrial classes of the State. I, therefore, request that Government
2) may be pleased to direct the Bank of Mysore, Ltd., to sanction a cash credit of Rs 2,00,000/- to the Apex Bank at 6 per cent interest.

3. In Madras, Bombay and other Provinces, Government have permitted Local Boards, Municipalities etc., to deposit their monies in the
3) respective Apex Co-operative Banks. I request that Government may be pleased to direct that Local Boards, Municipalities etc., in Mysore may similarly deposit their monies in the Apex Bank. In the same way, Trust and Muzrai funds also may be permitted to be deposited in the Apex Bank.

4. With regard to the financing of House-Building Co-operative Societies, through the Apex Bank, a separate recommendation will be made in due course.

I have the honor to be,
Sir,
Your most obedient servant,

KH Ramayya

Registrar.

Copy of resolution passed at the Thirteenth Mysore Provincial Co-operative Conference held in Mysore during October last in the matter of granting certain concessions to the Mysore Provincial Co-operative Bank, Ltd. (the Apex Bank)

RESOLVED that (a) Government be requested to give to the Apex Bank a fixed deposit of 5 lakhs of rupees at a concession rate of interest for a sufficiently long period and

(b) that Government be requested to arrange for a cash-credit up to two lakhs of rupees through the Bank of Mysore

(c) that in order to facilitate and regulate the flow of capital from the Apex Bank to the primary societies, steps be taken to assess the credit worthiness of societies requiring loans wihout delay.

- - - - -

J.H. Ramayya

Registrar.

Bangalore
13th December '26.

REPORT ON THE WORKING

OF THE

Mysore Provincial Co-operative Bank, Ltd.

BANGALORE CITY

DURING THE YEAR ENDING 30th JUNE 1926

BANGALORE CITY
Printed at the Bangalore Press, Mysore Road
1926

2571-26

THE

Mysore Provincial Co-operative Bank, Ltd.

Bangalore City

Notice, dated 5th September 1926.

Notice is hereby given that the Eleventh Annual General Meeting of the Bank will be held in the premises of the Bank on Sunday, the 19th September 1926, at 8-30 A.M., to transact the following business :—

1. Adoption of the Report on the working of the Bank during the year ending 30th June 1926.
2. Election of Directors.
3. Election of Controllers.

Social Gathering in the afternoon.

BANGALORE,
5th September 1926.

B. SHESHAGIRI RAO,
Hon. Secretary.

F

THE

Mysore Provincial Co-operative Bank, Ltd.

BANGALORE CITY

(Registered on 10th November 1915.)

OFFICE.

No. 1, Albert Victor Road, Chamarajpet, Bangalore City.

	Rs.
Authorised Share Capital	5,00,000
Subscribed Share Capital	3,33,300
Paid-up Share Capital	1,51,373
Deposits held	6,23,230
Reserve Fund	52,657

BOARD OF DIRECTORS.

President :

Rajakaryaprasakta Rao Bahadur M. Shama Rao, Esq., M.A.
(Retired Inspector-General of Education in Mysore.)

Vice-President :

Saligram Narayana Rao, Esq. (Retired Assistant Commissioner.)

Honorary Secretary :

B. Sheshagiri Rao, Esq. (Retired Registrar, General and Revenue Secretariat.)

Members :

1. B. Puttaiya, Esq., B.A., Superintendent, Government Printing, Bangalore.
2. A. T. Setlur, Esq., L.C.E., Retired Inspector of Mines.
3. M. L. Shama Gowda, Esq., Retired Deputy Registrar, Chief Court.
4. Adam Sheriff, Esq., Retired Station Master.
5. V. Naranappa, Esq.
6. R. Gopalaswamy Iyer, Esq.
7. G. Subba Rao, Esq.
8. K. Venkateshaiya, Esq., B.A.

Assistant Secretary :

S. Venkatasubbaiya, Esq., B.A.

Controller :

M. Lakshminaranaiya, Esq., B.A.

Bankers :

The Bank of Mysore, Ltd., Bangalore.

Auditor :

K. Srinivasaraghavachar, Esq., B.A., L.T. (Certified Auditor).

THE ELEVENTH ANNUAL REPORT

ON THE WORKING OF THE

Mysore Provincial Co-operative Bank, Limited

BANGALORE CITY

1925—26

1. The Board of Directors have much pleasure in presenting to the shareholders this Eleventh Annual Report on the working of the Bank together with the audited Balance Sheet as on the 30th June 1926 and other financial statements for the year ending 30th June 1926.

2. *Meetings.*—The Board held five meetings during the year and the average attendance was ten. The Board are extremely sorry to bring to the notice of the general body the untimely death of the two Directors, namely Messrs. M. G. Krishnasami Rao and R. Rangashamaiya. Messrs. B. Puttaiya and A. T. Setlur were taken as Directors. Mr. B. Puttaiya resigned the place of the Controller.

3. *Progress.*—Statement showing the progress of the Bank is appended.* In accordance with the principles of the Apex Bank, applications of individual members for resignation were readily accepted. While 41 individual members resigned their membership, 37 Societies got themselves affiliated. Now that the Bank has jurisdiction over the whole State, the membership of Societies is expected to increase substantially. The increase under deposits deserves notice. While the increase under deposits was Rs. 98,000 in the previous year, it is Rs. 1,35,000 during this year.

4. Mr. S. Venkatasubbaiya, Assistant Secretary, was deputed to attend the Conference of Provincial Banks in India held at Bombay in January 1926, wherein problems relating to Provincial Banks were discussed. He took advantage of this opportunity to visit the Bombay Provincial Co-operative Bank, the Bombay Central Co-operative Institute and the Poona Central Co-operative Bank, and to study their working.

In pursuance of one of the resolutions passed at the Conference, an Association has been formed under the name of

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* See page 5.

THE MYSORE PROVINCIAL CO-OPERATIVE BANK, Ltd.

Chamarajpet, Bangalore City

STATEMENT OF PROGRESS

No.	PARTICULARS		1915–16	1920–21	1922–23	1923–24	1924–25	1925–26
1	Number of Members :—							
	Ordinary (Societies)		308	484	500	509	527	563
	Preference (Individuals)		504	560	475	428	395	356
2	Number of Shares held :—							
	Ordinary		1,097	2,332	2,392	2,414	2,481	2,596
	Preference		947	1,106	950	861	801	737
3	Total Subscribed Capital	Rs.	2,04,400	3,43,800	3,34,200	3,27,500	3,28,200	3,33,300
4	Paid-up Share Capital	Rs.	53,432	1,43,946	1,45,525	1,45,478	1,47,960	1,51,373
5	Deposits held	Rs.	1,25,500	3,81,503	3,67,413	3,89,753	4,87,961	6,23,230
6	Reserve Fund	Rs	600	20,100	34,903	40,723	45,776	* 52,657
7	Loans issued during the year	Rs.	2,00,699	1,21,384	35,566	68,535	2,06,893	1,82,073
8	Loans issued to date	Rs.	2,00,699	7,99,066	8,48,966	9,17,501	11,24,394	13,06,467
9	Loans outstanding at the end of the year	Rs.	1,96,896	5,08,082	4,70,868	4,78,814	5,72,061	6,35,757
10	Loan Recoveries during the year	Rs.	3,804	49,340	91,940	60,493	1,08,646	1,18,378
11	Number of Societies inspected		..	79	89	39	50	45

This includes the amount proposed to be added now.

"The Indian Provincial Co-operative Banks' Association". Madras is the Headquarters of the Association for the present. At the invitation of this Association the Provincial Bank expressed willingness to join the Association and this Bank has been given the privilege of one of its members sitting on the Standing Committee of the Association.

5. *Rate of Interest.*—As the tightness of the money market continued throughout the year, the Board could not consider the question of reducing the rate of interest on loans. As Joint Stock Banks have reduced the rates of interest on deposits owing to the changed conditions of the money market, the question of reducing the rate of interest on loans and deposits is engaging attention. This has to be done with proper care and caution.

6. *Recoveries of Loans.*—Of the sum of Rs. 5,26,574 due on 1st July 1925, a sum of Rs. 1,34,635 was overdue, and the demand for the year amounted to Rs. 1,27,893 of which Rs. 85,550 was recovered and extension of time was granted in 9 cases involving a demand of Rs. 14,994. Though the amount of recoveries was Rs. 1,01,826 in the previous year and Rs. 85,550 during the year under report, recoveries have been better in the latter year as Rs. 40,060 was received during 1924-25 by adjustment of accounts on fresh bonds for longer periods.

7. *Applications for loans.*—At the beginning of the year 2 applications for loans amounting to Rs. 5,500 were pending. 48 applications amounting to Rs. 2,65,385 were received during the year. Loans amounting to Rs. 2,20,610 were sanctioned to 40 Societies. In two cases, loans amounting to Rs. 3,850 had to be declined. At the end of the year, 8 applications amounting to Rs. 46,425 were pending. Loans disbursed during the year amounted to Rs. 1,51,800. The Bank was able to finance a large number of Societies chiefly through the help of the Registrar of Co-operative Societies in Mysore.

Mention was made in the last year's report that the Bangalore City Traders' Co-operative Society was able to render some help to its members from the cash credit of Rs. 2,000 obtained from this Bank. The previous belief that these small traders were being exploited by usurious money-lenders has been confirmed as the figures will show. The limit of cash credit to the Society was increased to Rs. 20,000 during the year. On the 30th June 26, the Society had a membership of 523 and a paid-up Share Capital of Rs. 10,382. It issued loans to members to the extent of Rs. 1,08,410. Considering the high rates of interest these members had to pay to the money-lenders for getting the same amount of loan, it may be safely said that they have saved Rs. 28,000 to 30,000 in interest. Traders have been appreciating the benefits of the Society.

8. *Net Profits.*—The net profits for the year 1925-26 amounted to Rs. 20,782-5-0 which the Board of Directors recommend to distribute as follows.—

	Rs.	A.	P.
Reserve Fund	5,220	10	0
Dividends at 7½% on Preference Shares	3,816	4	0
Dividends at 6¼% on Ordinary Shares	5,770	12	0
Bonus to Staff	473	12	0
Rebate Fund	300	0	0
Charity Fund	750	0	0
Balance to be carried forward ...	4,450	15	0
Total Rs. ...	20,782	5	0

N.B.—Dividend warrants will be issued in respect of fully paid-up shares only. Dividends due on partly paid-up shares will be added on to the share amounts concerned.

9. *Rebate Fund.*—The following Societies which have been regular in their repayments during the year may be given rebate on interest at one per cent :—

	Rs.	A.	P.
Haldodderi Co-operative Society, Sira Taluk ...	44	0	0
Vasthara Co-operative Society, Chickmagalur Taluk	35	0	0
Ambale Co-operative Society, Chickmagalur Taluk	24	8	0
Sakkarayapatna Co-operative Society, Kadur Taluk	130	0	0
Arebommanhalli Co-operative Society, Nelamangala Taluk	45	0	0
Kyathsandra Co-operative Society, Tumkur Taluk	48	0	0
Dasarahalli Co-operative Society, Koratagere Taluk	42	0	0
Thimmanhalli Co-operative Society, Chicknaikanahalli Taluk	38	0	0
Total Rs. ...	406	8	0

10. *Charity Fund.*—Several philanthropic institutions in Bangalore City, such as the National Education Society, the Ashakta Poshaka Sabha and the Civic and Social Progress

Association have approached the Bank with requests for donations. As there are many applications, the Board have provisionally allotted a sum of Rs. 750 under the Charity Fund, and the distribution will be made on the merits of the applications.

11. *Estimate of Expenditure.*—The Directors request the General Body to sanction the following estimate of expenditure:—

		1925-26		1926-27
		Estimate.	Expenditure.	Estimate.
Establishment and Inspection.	Rs.	8,500	6,612	8,500
Contingencies	,,	1,500	901	1,500

12. *Apex Bank.*—It will be remembered that in the report for 1924-25 presented at the Annual Meeting held on 30th August 1925, reference was made to the Government Order No. I. C. 6492-6563 C. S. 43-23-11, dated 30th March 1925, regarding the steps to be taken for the conversion of the Provincial Co-operative Bank into an Apex Bank for the whole State for advancing loans to all affiliated Co-operative Societies. The Board of Management are now glad to announce that Government in their Order No. I. C. 1853 C. S. 20-25-3, dated 14/15th September 1925, sanctioned the conversion of this Bank into an Apex Bank, the transactions of the Central Bank being confined only to individual members to the exclusion of Co-operative Societies. The Registrar has been taking action for the transfer of the liabilities to this Bank of the Co-operative Societies affiliated to the Central Bank. The Board of Management of the Provincial Bank have expressed agreement to take over the liabilities on condition that sufficient security is afforded to this Bank for the money that it will have to advance and that sufficient assurance exists regarding the recovery of the debts due.

13. The thanks of the Board are due to Mr. K. Sreenivasaraghavachar who audited the Accounts of the Bank for the year and also to Mr. Adam Sheriff who checked the accounts.

14. The thanks of the Board are due to Mr. S. Venkatasubbaiya, Assistant Secretary, for his zealous work as also to the members of the Staff.

15. The Bank was inspected by the Registrar of Co-operative Societies on 11th June 1926. The Directors feel highly grateful and offer their heartfelt thanks to Mr. K. H.

Ramayya, B.A., Bar-at-Law, Registrar of Co-operative Societies, for his uniform sympathy and kindness to the institution and to Messrs. K. Subba Rao, B.A., LL.B., P. A. Krishnaswami Iyer, B.A., M. D. Venkate Urs, B.A., and P. Suryanarayana Chetty, B.A., LL.B., Assistant Registrars of Co-operative Societies, and to Mr. O'Brien, Manager, Bank of Mysore, and to the Inspectors of the Co-operative Department for their help.

16. The Board thank the Government of His Highness the Maharaja of Mysore for their continued support.

17. The Directors beg, on behalf of the General Body of members to express their humble gratitude to their Highnesses the Maharaja and the Yuvaraja of Mysore for their gracious support to the Bank.

By Order of the Board,

BANGALORE CITY,
5th September 1926.

B. SHESHAGIRI RAO,
Hon. Secretary.

The Mysore Provincial Co-operative

Statement of Receipts and Payments

	RECEIPTS	Rs.	A.	P
1.	Interest	64,137	11	0
2.	Rent	465	0	0
3.	Overdue Interest on Loans	1,679	2	2
4.	Admission Fee for Membership, etc.	71	4	0
5.	Investigation Fee	641	2	0
6.	Stationery charges recovered	19	9	0
7.	Postage	8	11	8
8.	General charges recovered	73	11	5
9.	Miscellaneous Receipts	145	12	10
10.	Share Capital—Ordinary	6,738	5	8
11.	Preference Share Capital	2,933	5	9
12.	Current Deposits	2,38,025	2	3
13.	Fixed Deposits	2,24,967	11	1
14.	Savings	853	0	0
15.	Loans	56,080	13	9
16.	Cash Credits	23,469	9	3
17.	Advances on Fixed Deposits	32,827	10	4
18.	Mysore Bank Cash Credit Drawing Account	2,36,276	8	0
19.	Mysore Bank Current Account	13,184	8	0
20.	Mysore Bank Fixed Deposit Account	2,400	0	0
21.	Suspense Account	9,322	13	3
22	Investments (short-term)	6,000	0	0
23.	Investments (temporary)	2,000	0	0
24.	Library	11	0	0
25	Imperial Bank Current Account	8,182	10	10
26.	Imperial Bank Fixed Deposit Account	4,000	0	0
27.	Establishment Provident Fund	103	5	11
28.	Savings Deposit Sinking Fund	94	2	0
	Total	9,34,712	10	2
	Opening Balance	8,512	6	7
	Grand Total	9,43,225	0	9

S. VENKATASUBBAIYA,
Assistant Secretary.

Bank, Ltd., Bangalore City.

for the year ending 30th June 1926.

	PAYMENTS	Rs.	A.	P.
1.	Interest	39,054	2	6
2.	Penal interest refunded	19	2	4
3.	Stationery charges account	85	1	9
4.	Postage account	170	7	0
5.	General charges	866	7	0
6.	Miscellaneous	0	4	8
7.	Reading Room charges	152	3	0
8.	Establishment charges	6,275	10	9
9.	Inspection charges	436	9	9
10.	Directors' Travelling Allowances	544	0	0
11.	Printing	302	9	0
12.	Bonus paid to Staff	287	12	0
13	Municipal and Land Taxes	93	13	9
14.	Contribution to Establishment P. Fund	42	13	0
15.	Share Capital (Ordinary)	161	12	5
16.	,, ,, (Preference)	6.096	1	10
17.	Current Deposits	2,36,841	0	2
18.	Fixed Deposits	90,314	13	3
19.	Savings Deposits	1,421	0	0
20.	Loans	1,24,290	14	1
21.	Cash Credits	27,528	11	3
22.	Advances on Fixed Deposits	24,254	1	6
23.	Mysore Bank Cash Credit Drawing Account	2,70,719	10	11
24.	,, ,, Current Account	16.667	14	0
25.	,, ,, Fixed Deposit Account	40.000	0	0
26.	Imperial Bank Current Deposit Account	11,204	10	2
27.	City Bank Fixed Deposit Account	6,000	0	0
28.	City Bank Drawing Account	3.778	13	11
29.	Dividends	9,612	9	2
30.	Library	98	4	0
31.	Furniture	582	14	0
32.	Savings Deposit Sinking Fund refunded	59	7	7
33.	Suspense	8,683	0	5
34.	Investigation Fee	7	14	0
35.	Investments (short-term)	6.000	0	0
36.	,, (temporary—in State Loan Bonds)	1.250	0	0
37.	Auditor's Remuneration	100	0	0
38.	Government Savings Bank	2,627	15	11
39.	Contribution to Savings Deposit Sinking Fund	94	2	0
	Total	9.36.726	11	1
	Closing Balance	6.498	5	8
	Grand Total	9,43,225	0	9

B. SHESHAGIRI RAO,
Honorary Secretary.

The Mysore Provincial Co-operative

Profit and Loss Account

	LOSS	RS.	A.	P.
1.	Establishment charges paid	6,275	10	9
2.	Inspection charges	436	9	9
3.	Directors' travelling allowances	544	0	0
4.	Stationery charges	85	1	9
5.	Printing	302	9	0
6.	General and Bank charges	866	7	0
7.	Postage charges	170	7	0
8.	Reading Room charges	152	3	0
9.	Investigation fee refunded	7	14	0
10.	Miscellaneous	0	4	8
11.	Municipal and Land taxes	93	13	9
12.	Overdue Interest transferred to Reserve Fund	1,659	15	10
13.	Auditor's Fee to be paid	100	0	0
14	Contribution to Savings Deposit Sinking Fund	94	2	0
15.	Depreciation	560	0	0
16.	Establishment Provident Fund Contribution	42	13	0
17.	Value of Forms and Books used	30	0	0
	Total	11,421	15	6
	Net Profits	20,782	5	0
	Grand Total	32,204	4	6

S. VENKATASUBBAIYA,
Assistant Secretary.

B. SHESHAGIRI RAO,
Honorary Secretary.

Bank, Ltd., Bangalore City.

for the year ending 30th June 1926.

	PROFIT	Rs. A. P.	Rs. A. P.
1. **Interest Account—**			
i. Interest received during the year ..	Rs. a. P. 64,137 11 0		
ii. Interest accrued and pending on loans..	20,137 15 7		
iii. Interest accrued and pending on Govt. securities and other investments.	2,323 1 8		
iv. Interest received in advance, in the previous year ..	5,407 12 1		
	92,006 8 4		
Less i. Interest accrued and pending last year on loans ..	17,150 0 1		
ii. Interest accrued on Govt. securities last year ..	2,701 0 2		
iii. Interest received in advance for 1926-27 ..	4,765 5 10		
	24,616 6 1		
Net Receipts ..		67,390 2 3	
Deduct –			
i. Payments during the year ..	39,054 2 6		
ii. Interest accrued on deposits but not yet paid ..	14,406 13 0		
iii. Interest payable on temporary investments ..	271 14 10		
	53,732 14 4		
Less Interest payable on F.D. and temporary investments last year ..	14,106 5 10		
Net Payments		39,626 8 6	
Net Interest appropriated in the year			27,76
2. Overdue Interest on Loans			1,659 15 10
3. Admission Fee for Shares and Savings Deposit, and Share and Transfer Fees ..			71 4 0
4. Investigation Fees appropriated ..			641 2 0
5. Rents received		465 0 0	
,, receivable		39 0 0	
		504 0 0	
Less rent due for last year		36 0 0	
			468 0 0
6. Miscellaneous			145 12 10
7. Stationery charges recovered ..			8 11 8
8. Postage			19 9 0
9. General and Bank charges			73 11 5
10. Balance B. F. from last year ..			1,352 8 0
		Grand Total ..	32,204 4 6

The Mysore Provincial Co-operative

Balance Sheet as on

LIABILITIES				Rs.	A.	P.
Authorised Share Capital—	Rs.	A.	P.			
1,500 Preference Shares of Rs. 100 each ..	1,50,000	0	0			
3,500 Ordinary Shares of Rs. 100 each ..	3,50,000	0	0			
Paid-up Share Capital—						
Preference	52,869	11	10			
Ordinary	98,504	1	4			
				1,51,373	13	2
Reserve Fund				45,776	15	9
Contribution to the Reserve from Penal interest				1,659	15	10
Penal interest to be refunded				233	0	0
Rebate Fund	371	15	0			
Dividend Equalization Fund ..	65	7	9			
Investment Fluctuation Fund ..	150	0	0			
Savings Deposit Sinking Fund ..	139	10	5			
Establishment Provident Fund ..	428	7	10			
				1,155	9	0
Loans Payable				25,000	0	0
Deposits—						
Fixed	5,89,146	6	4			
Current	32,867	13	2			
Savings	802	0	0			
Security	304	2	0			
Investigation Fee	110	0	0			
				6,23,230	5	6
Auditor's Remuneration				100	0	0
Suspense				1,415	5	0
Dividends unclaimed				4,753	5	2
Bonus due				78	12	0
Sundry Creditors—						
Interest recovered in advance	4,765	5	10			
Interest payable on Fixed Deposits ..	14,406	13	0			
Do. on Temporary Investments.	271	14	10			
				19,444	1	8
Total ..				8,74,221	3	1
Net Profits ..				20,782	5	0
Grand Total ..				8,95,003	8	1

S. VENKATASUBBAIYA,
Assistant Secretary.

I have examined the above Balance Sheet with the Books and Accounts required. In my opinion, the above Balance Sheet exhibits a true and according to the books and accounts of the Bank and to the best of my

BANGALORE CITY,
Dated 4th September 1926.

Bank, Ltd., Bangalore City.

30th June 1926.

ASSETS	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
Property—									
Building	15,310	7	3						
Less depreciation	460	0	0	14,850	7	3			
Lands ..				630	0	0			
Furniture	2,126	2	0						
Less depreciation	80	0	0	2,046	2	0			
Library	375	9	0						
Less depreciation	20	0	0	355	9	0	17,882	2	3
Loans Receivable—									
Instalment Loans				5,56,951	15	4			
Cash Credit				41,891	15	0			
Deposit Loans				6,000	0	0			
Advances on Fixed Deposit.. ..				30,913	4	6	6,35,757	2	10
Sundry Stock (value of Books, Forms, etc.) ..							270	0	0
Sundry Debtors—									
Interest accrued and pending on Loans ..				20,137	15	7			
,, on Government Securities and other investments				2,323	1	8			
House Rent due				39	0	0	22,500	1	3
Investment in Government Securities ..							65,425	0	0
Do. in Banks							46,000	0	0
Cash—									
In Banks and in Government Savings Bank				1,00,670	12	1			
On hand				6,498	5	8	1,07,169	1	9
Grand Total ..							8,95,003	8	1

B. SHESHAGIRI RAO,
Honorary Secretary.

of the Bank and have obtained all the information and explanations
correct view of the state of affairs of the Bank as on the 30th June 1926
information and explanations furnished to me.

K. SRINIVASARAGHAVACHAR,
Certified Auditor.

AUDITOR'S REPORT.

Report on the Audit of Accounts of the Mysore Provincial Co-operative Bank, Ltd., Bangalore City, for the year ending 30th June 1926.

1. Balances of loans and cash credits due from societies are being verified with the accounts maintained by those societies whenever possible and the cases in which they are yet to be verified are few.

2. The investmants, both temporary and permanent, have been taken at face value for purposes of the Balance Sheet and in my opinion such a valuation is fair considering their present market value and the fluctuation fund created as per Balance Sheet.

3. My thanks are due to the Assistant Secretary and the Staff for the help they rendered to me in furnishing readily and punctually records for the purposes of audit.

BANGALORE CITY,
4th Sept. 1926.

K. SRINIVASARAGHAVACHAR,
Certified Auditor.

2571-26. PRINTED AT THE BANGALORE PRESS, BANGALORE CITY

D 6358 / C.S. 82-26-2

(4) 8/2/27

To

The Manager,
Bank of Mysore, Bangalore.

Sir,

In forwarding herewith a copy of an extract from a resolution passed at the 13th Mysore Provincial Co-operative Conference held at Mysore during October 1926 in the matter of granting certain concessions to the Mysore-Provincial Co-operative (Apex) Bank, Ltd., Bangalore City, I am directed to state that in several of the British Indian Provinces, the Imperial Bank of India has, at the instance of the Govt. granted large cash credits to the several Apex Banks so that they may keep sufficient fluid resources for their efficient working and that the Registrar of Co-operative Societies in Mysore has recommended that a similar concession may be given to the Apex Bank in the State.

Govt. would be glad if the Mysore Bank could find their way to give the proposed accommodation to the Apex Bank.- If the Mysore Bank are agreeable to the suggestion, I am to enquire at what rate of ~~x~~ interest and on what terms of security they are prepared to allow cash credit to the Apex Bank.

I have etc.,

31/1

Secretary to Govt. Dev. Depts.

TCH.

31/1/27.

ALL COMMUNICATIONS TO BE ADDRESSED
TO THE MANAGER.
TELEGRAPHIC ADDRESS: "MYSOREBANK"

No. ....

5

The Bank of Mysore, Ltd.,
P.O. BOX No. 37.

Bangalore, 9th Febry. '27.

CONFIDENTIAL.

GEN. & REV. SECRETARIAT
4558
10 FEB. 1927
DEVELOPMENT BRANCH.
G.S. 82-26-3

9-2-27

9/2

N. Rama Rao, Esq., B.A., B.L.,
Secretary to Governmentm
Development Departments, Bangalore.

Dear Sir,

I am in receipt of your letter of the 8th instant forwarding copy of an extract from a resolution passed at the 13th Mysore Provincial Co-operative Conference held at Mysore during October 1926 in the matter of granting certain concessions to the Mysore Provincial Co-operative (Apex) Bank, Ltd., Bangalore City.

Presumably the necessity for the accommodation of Rs.2 lakhs by way of cash credit account to the Mysore Provincial Co-operative Bank, Ltd., was carefully considered by Government before expressing their desire that this Bank should give the proposed accommodation.

The Mysore Provincial Co-operative Bank has large deposits with this Bank; hence I do not understand why it should require to borrow as I presume it cannot find an outlet for its surplus funds. This information, which it is requested be treated as confidential, may not be known to Government.

Yours faithfully,

MANAGER.

6

Proceedings of the Government of H.H.
the Maharaja of Mysore.

Read:-

Letter No.2573/Cs. dated the 18th December 1926 from the Registrar of Co-operative Societies, recommending, for reasons stated, the grant of certain concessions to the Apex Bank in the State.

2. Correspondence ending with letter dated the 9th February 1927 from the Manager, Bank of Mysore, Bangalore, in the matter.

7.6.27
Signed by the
V. [illegible]

Order No.D. 10817-918
Dated [illegible] 1927

In the Thirteenth Provincial Co-operative Conference held at Mysore -- during October 1926, the following -- resolution was passed:-

> "Resolved that (a) Government be requested to give to the Apex Bank a fixed deposit of 5 lakhs of rupees at a concession rate of interest for a sufficiently long period, (b) that Government be requested to arrange for a cash credit up to two lakhs of rupees through the Bank of Mysore, and (c) that, in order to facilitate and regulate the flow of capital from the Apex Bank to the Primary Societies, steps be taken to assess the credit-worthiness of societies requiring loans, without delay".

In forwarding the resolutions, the Registrar of Co-operative Societies has recommended (1) that a sum of Rs.5,00,000/- be granted to the Apex Bank as a deposit for 10 years at 3% interest for the first two years and at 4% interest for the remaining period, (2) that arrangements may be made with the Bank of Mysore for a cash

Credit

Credit of Rs.2,00,000/- to the Apex Bank at 6% interest / and (3) that permission may be granted to Local Boards, Municipalities etc., as also to Trust and Muzrai Institutions to deposit their funds in the Apex Bank.

After a careful consideration of the question, Government are pleased to pass the following orders:-

The recommendation regarding the deposit of Rs.5/- lakhs will have to lie over for the present till funds are available. Government are, however prepared to sanction the grant of an advance up to a lakh of rupees to the Apex Bank, whenever such an advance is required ~~at 6% interest per annum~~. They have no objection to the Local Bodies, Trust and Muzrai Institutions depositing their funds at current rates of interest in the Apex Bank, if the administrations concerned, choose to adopt such a course.

omit A
Consider sympathetically applications for,

Subject to appl or otherwise to be settled.

and to grant accommodation on terms to be mutually agreed upon as regards rate of interest and period of repayment B

10/5 Secretary to Govt.
Dev. Deptts.
9/5/27.

To

√ The Registrar of C.S.
√ The Comptroller to Govt. through F.D.
The Rev. Commissioner.
The Muzrai Commissioner.
The Dy. Commissioners of Dists.
The Presidents of Dist. Boards.

The Presidents of Bangalore & Mysore City Municipalities.

KRS.

App. F. VI G 10.

Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS

GEN. & REV. SECRETARIAT.
11 JUNE 1927
DEVELOPMENT BRANCH.

G. O. No. D 10897-918/C.S.82-26-4 DATED the 7th June 1927

May this be

i. printed?	yes
ii. treated as a standing order?	yes
iii. published in the Gazette English Part?	yes
iv. translated?	yes
v. placed at the disposal of the press?	yes
vi. published in the Gazette Kannada Part?	yes

yes
7/6

Concessions to the Apex Bank

passes orders ~~regarding~~ granting certain

/27.

S. O.

Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS.

G. O. No. D. 10897-918—C. S. 82-26-4, dated 7th June 1927.

Concessions to the Apex Bank

Passes orders granting certain ——.

READ—

Letter No. 2573—Cs. dated the 18th December 1926, from the Registrar of Co-operative Societies, recommending, for reasons stated, the grant of certain concessions to the Apex Bank in the State.

2. Correspondence ending with letter dated the 9th February 1927, from the Manager, Bank of Mysore, Bangalore, in the matter.

ORDER No. D. 10897-918—C. S. 82-26-4, DATED 7TH JUNE 1927.

In the Thirteenth Provincial Co-operative Conference held at Mysore during October 1926, the following resolution was passed:—

"Resolved (*a*) that Government be requested to give to the Apex Bank a fixed deposit of 5 lakhs of rupees at a concession rate of interest for a sufficiently long period; (*b*) that Government be requested to arrange for a cash credit up to two lakhs of rupees through the Bank of Mysore; and (*c*) that, in order to facilitate and regulate the flow of capital from the Apex Bank to the Primary Societies, steps be taken to assess the credit-worthiness of Societies requiring loans, without delay."

In forwarding the resolutions, the Registrar of Co-operative Societies has recommended (1) that a sum of Rs. 5,00,000 be granted to the Apex Bank as a deposit for 10 years at 3 per cent interest for the first two years and at 4 per cent for the remaining period; (2) that arrangements may be made with the Bank of Mysore for a cash credit of Rs. 2,00,000 to the Apex Bank at 6 per cent interest and (3) that permission may be granted to Local Boards, Municipalities, etc., as also to Trust and Muzrai Institutions to deposit their funds in the Apex Bank.

After a careful consideration of the question, Government are pleased to pass the following orders:—

The recommendation regarding the deposit of Rs. 5 lakhs will have to lie over for the present till funds are available. Government are, however, prepared to advance up to a lakh of rupees to the Apex Bank, whenever such an advance is required and to grant accommodation on terms to be mutually agreed upon as regards rate of interest and period of repayment. They have no objection to the Local Bodies, Trust and Muzrai Institutions depositing their funds at current rates of interest in the Apex Bank, if the administrations concerned, choose to adopt such a course.

N. RAMA RAO,
Secretary to Government,
Development Departments.

To—The Registrar of Co-operative Societies in Mysore.
The Comptroller to Government, through Financial Secretariat.
The Revenue Commissioner in Mysore.
The Muzrai Commissioner in Mysore.
The Deputy Commissioners of Districts.
The Presidents of District Boards.
The Presidents of Bangalore and Mysore City Municipalities.

Exd.—P. S. R. N.

WD 2552—GPB—600—21-6-27